FAIRNESS RESPECT SOI IDARITY **FXPFRTISF** SECURITY FREEDOM WORDS MATTER.

WORDS MATTER

Words are important.

They have the power to harm, the power to change.

Words are a barometer.

The tone of our discourse indicates the health of our society.

Words can hurt.

The loss of civil rights or violence rarely come first. They start with words that defame and demonize, accuse and incite.

But words can also save lives.

They can lessen hurt and suffering. Wherever and whenever good people stand up and say "no" to hate, armies can be stopped and whole communities can survive.

For nearly a century, ADL has acted to foster respectful discourse, because we know the consequences of saying and doing nothing. By following the words, we know how to act and we know all too well what we will prevent. By taking action and saying "no" to hate, we know the positive impact we can have.

ACTIONS MATTER

No one fights bullying and online hate in more ways than ADL.

We restore **dignity** to families and help ensure safe schools.

No one opens more people's hearts and minds than ADL.

By teaching children to challenge bias and stereotypes, we foster **respect**.

No one knows more about haters than ADL.

We are sought out for our **expertise** on hate and how to combat it.

No one offers as many programs for building Israeli respect as ADL.

We use advocacy to ensure a brighter, more secure **future** for Israel.

No nongovernmental organization works with law enforcement more than ADL.

We help foster **security** by teaching law enforcement to protect civil rights.

No Jewish organization has a stronger record protecting religious freedom than ADL.

We ensure that everyone has the **freedom** to practice their religion without coercion.

No one has a more comprehensive impact on campus hate than ADL.

We bring **fairness** to campuses targeted by anti-Israel groups.

No one is more effective at fighting global anti-Semitism than ADL.

We show **solidarity** with Jewish communities by helping them fight anti-Semitism, whether at home or abroad.







Abraham H. Foxman

DEAR FRIENDS

The work we do every day at ADL is satisfying and important because it has an impact on people's lives. This is true when we speak out on behalf of oppressed Jewish communities around the world. Or when we help a vulnerable child who is at risk of bullying through our cyberbullying initiatives. Or when we lead an interfaith effort to protect the right to build mosques in the face of anti-Islamic prejudice.

There are many different approaches that ADL takes in meeting our challenges. All, ultimately, are geared towards having a positive effect on people — individuals or larger groups — each of whom is feeling under siege because of who they are.

When anti-Israel activity on a campus escalates and Jewish students feel under siege, ADL uses our many areas of expertise — advocacy for Israel, experience in dealing with university administrations, training programs teaching about prejudice, leveraging community and political voices for support — to be there and provide practical assistance to the students.

When we developed model hate crime legislation, which is the basis for state laws in 45 states, we were thinking of the frightful impact on Jews, African Americans, Hispanics, Muslims, gays or others when one of them is attacked for being part of that group. Our legislative success tells these vulnerable individuals and groups that society is watching out for them.

When Catholic schoolchildren walk away from a class with a new appreciation of Jews and the history of anti-Semitism because their teacher went through ADL's Bearing WitnessTM program for Catholic-school teachers, we have helped them see the world in a different way.

When a youngster in an inner-city school goes through our Peer Training program to combat bias, he or she not only learns how to identify prejudice and stand up against it, but develops leadership skills and self-confidence that can be life-changing.

ADL's 2010 Annual Report focuses on just a few of these stories, of people young and old, whose lives were affected by ADL assistance or leadership. In the end, that is the most important thing we do. That is why we matter.

Robert G. Sugarman National Chair

Abraham H. Foxman National Director

The Anti-Defamation League was founded in 1913 "to stop the defamation of the Jewish people and to secure justice and fair treatment to all." Now the nation's premier civil rights/human relations agency, ADL defends democratic ideals and protects civil rights for all.

My disabled son

loved going to his first dance. His classmates videotaped him at the dance and posted it online with his full name and horrific comments. The school refused to intervene. He wanted to kill himself. No one helped or cared. ADL was the only organization that helped me.

- Theresa Jackson

No one fights bullying and online hate in more ways than ADL.

In 2010, ADL's National and Regional Offices secured the adoption of tough new anti-bullying laws in Massachusetts, New Jersey, New York and Georgia. These laws were inspired by ADL's model anti-bullying statute and passed as a result of our skilled advocacy. ADL also brought anti-bullying education programs to a record 2,516 educators and administrators, 2,468 adult family and community members and 2,706 students. Additionally, ADL gathered major Internet companies for the first time, urging them to closely monitor their content. We also showed Internet users how to report online hate to the companies hosting it.





Anti-Israel students at Rutgers University

were raising money to sponsor another Gaza flotilla. ADL came to the aid of Jewish student groups trying to prevent this. Using our legal expertise, we showed Rutgers that the students' support for the flotilla effort could violate U.S. law. The university froze the money.

No one has a more comprehensive impact on campus hate than ADL.

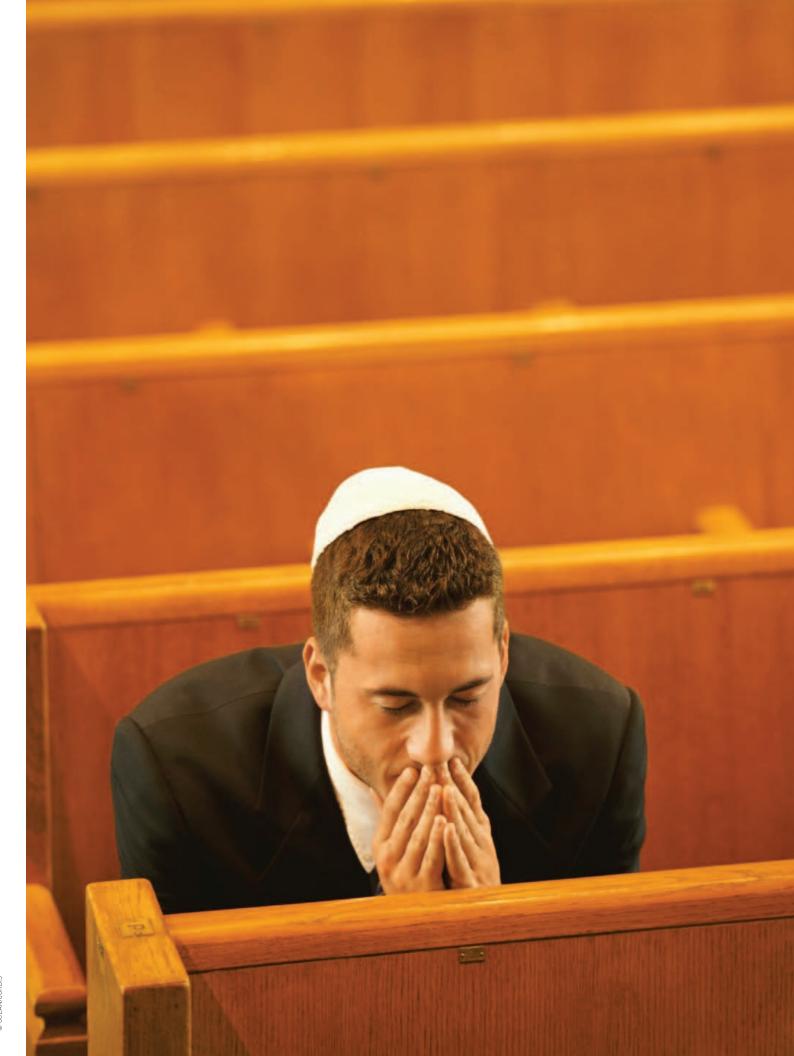
ADL is concerned that today's college students are encountering harshly anti-Israel groups on campus. Because we monitor campaigns to delegitimize and demonize Israel around the world, and are alert to relationships between these efforts and organizers of anti-Israel activity on campus, we are a leading source of information to university administrations and organizations working on campus to combat these trends. Armed with information from ADL, students have more informed positions on the Middle East and the groups that oppose Israel's right to exist, and supporters of Israel are better equipped to organize and make sure their views are heard.

When package bombs from Yemen

were heading for Chicago Jewish institutions, federal agents alerted ADL immediately. Because of ADL's relationships with law enforcement, they knew they could count on us to get the word out. Within minutes, ADL was sending detailed security instructions to Jewish organizations nationwide.

No nongovernmental organization trains more law enforcement on extremism, terrorism and counterterrorism than ADL.

Anti-terrorism expertise in America needed to increase dramatically after the September 11 attacks. Using information gained from our daily work monitoring extremists and from top experts outside the agency, ADL began training members of law enforcement at the highest levels about how to combat extremism, terrorism and hate. In 2010 we trained more than 8,700 professionals from agencies such as the FBI and Department of Homeland Security. We also take select groups of American law enforcement to Israel to learn counterterror techniques from experts there. Fostering that information transfer helps forge strong relationships between high-level officials of both countries.





Neighbors who are strangers

can't build trust and friendship. That's why ADL's Jerusalem office developed a program to bring Druze and Jewish students together for a year-long program in Israel. When they parted, they exchanged e-mail addresses. Said one student, "I wish from the bottom of my heart to meet them again."

No one offers as many programs for building Israeli respect as ADL.

Just as we do in this country, ADL works with diverse groups in Israel to examine stereotypes and accept the other. We call on government to step back from instances of prejudice and unfair treatment. At the same time, ADL is a strong voice mobilizing support for Israel domestically and internationally. To educate about the expertise and resilience of individual Israelis, we bring members of law enforcement, Catholic-school educators, Latino leaders and campus leaders to Israel to gain firsthand experience with the people and the land.

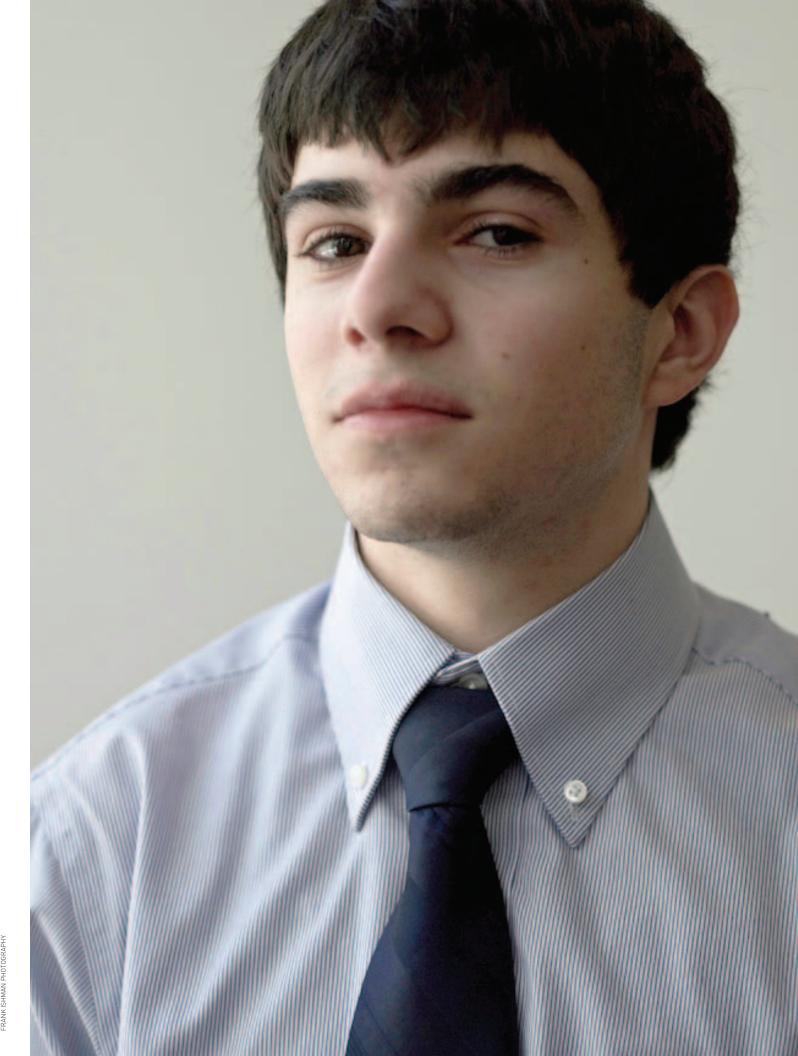
I was constantly harassed at school

for being short, smart and Jewish. It was so bad, I came to think there was something terribly wrong with me. I felt like nothing. Then I became an ADL peer trainer. ADL taught me how to challenge bias from other students and help them treat each other with respect.

- David Aponte

No one opens more people's hearts and minds than ADL.

We know that prejudice is learned, so it can be unlearned. That's why we train people to reject bias through our award-winning education programs. In 2010 alone, we worked directly with over 49,890 middle and high school students, over 12,600 education professionals, and nearly 3,170 family and community members. Our mission is to bring justice and fair treatment for all.





Harassment and proselytizing,

including by some commanders, was taking place at the U.S. Air Force Academy in Colorado. Appalled at this blurring of the line between church and state, ADL took action. Today, Air Force cadets learn respect for religious differences during ADL-crafted trainings.

No Jewish organization has a stronger record protecting religious freedom than ADL.

ADL ensures church-state separation and promotes religious liberty through the work of our Regional Offices, our Legal Affairs Department in New York and our Government and National Affairs Office in Washington, DC. ADL helped bring change to the Air Force Academy through a coordinated effort, including Congressional testimony, and education and training by ADL's Regional Office in Denver — which led to a culture change at the Academy.

After a far-right extremist party

was included in the governing Austrian coalition in 2000, ADL created a partnership with the Austrian government to bring our anti-prejudice programs to the country. Today, ADL's specially developed anti-bias training for Austrian law enforcement officials is compulsory for all Austrian police.

No one knows more about haters than ADL.

Rapid increases in immigration and economic distress often stir up anti-Semitism and bigotry. That is why we track hate vigilantly and offer our anti-bias programs worldwide. Working with such international governmental organizations as the Organization for Security and Co-operation in Europe (OSCE), ADL also promotes policies and best practices to help monitor, investigate and prosecute hate crimes.





Anti-Semitism in
Latin America is
a problem.
Recognizing
that, ADL
convened Jewish
leaders from nine
Latin American
countries to
share best
practices to
combat it. They
responded
enthusiastically.

No one is more effective at fighting global anti-Semitism than ADL.

With nearly a century of experience, we know how to harness our strong voice to support Jewish communities in Latin America and around the world. We also recognize the importance of forging strong relationships between Jews and Latino communities, one of the fastest-growing populations in the U.S. ADL has formed strong relationships with major Hispanic organizations domestically, fights for justice for Latino bias victims, and introduces Latinos to Judaism and Israel through interfaith activities and missions to Israel.

ANTI-DEFAMATION LEAGUE REGIONAL OFFICES

ADL has offices throughout the United States. If you need assistance with such issues as education and anti-bullying training, civil rights, law enforcement trainings, anti-Israel campus activity, Jewish institutional security, or to report an anti-Semitic incident, contact a Regional Office near you or go to www.adl.org for more information.

ARIZONA

arizona@adl.org (602) 274-0991

ATLANTA (Southeast)

atlanta@adl.org (404) 262-3470

AUSTIN SATELLITE OFFICE

austin@adl.org (512) 249-7960

BOSTON (New England)

boston@adl.org (617) 406-6300

BOULDER SATELLITE OFFICE

boulder@adl.org (303) 449-2607

CHICAGO

(Greater Chicago/Upper Midwest) chicago@adl.org (312) 782-5080

CLEVELAND

(Ohio/Kentucky/Allegheny) cleveland@adl.org (216) 579-9600

CONNECTICUT

connecticut@adl.org (203) 288-6500

DALLAS (North Texas/Oklahoma) dallas@adl.org [972] 960-0342

DC (District of Columbia/Maryland/ Virginia/North Carolina) washington-dc@adl.org (202) 452-8310 **DENVER** (Mountain States)

denver@adl.org (303) 830-7177

DETROIT (Michigan)

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FLORIDA

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omaha@adl.org

(402) 333-1303

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orange-county@adl.org (714) 953-2860

PHILADELPHIA

(Eastern Pennsylvania/Delaware) philadelphia@adl.org (215) 568-2223

SAN DIEGO

san-diego@adl.org (619) 293-3770

SAN FRANCISCO

(Central Pacific) san-francisco@adl.org (415) 981-3500

SANTA BARBARA

(Tri-Counties) santa-barbara@adl.org (805) 564-6670

SEATTLE (Pacific Northwest)

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ST. LOUIS

(Missouri/Southern Illinois) st-louis@adl.org (314) 721-1270

GOVERNMENT and NATIONAL AFFAIRS OFFICE

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JERUSALEM

israel@adl.org 011-972-2-566-7741

CONSOLIDATED FINANCIAL INFORMATION

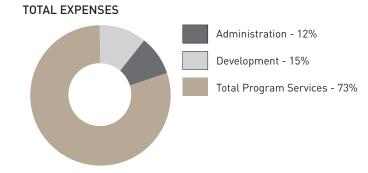
CONSOLIDATED BALANCE SHEET

December 31, 2009 (in thousands)

ASSETS Cash and investments Contributions receivable, net Other assets Property and equipment, net	\$139,862 12,189 3,396 14,746
Total assets	\$170,193
LIABILITIES AND NET ASSETS Accounts payable and accrued expenses Borrowings under lines of credit Deferred items Liabilities under charitable trusts and annuity agreements Accrued pension obligation Total liabilities Net assets: Unrestricted Temporarily restricted Permanently restricted	\$8,970 8,000 8,221 10,034 27,840 63,065 24,095 26,234 56,799
Total net assets	107,128
Total liabilities and net assets	\$ 170,193

CONSOLIDATED EXPENSE ALLOCATIONS

Year ended December 31, 2009



TOTAL PROGRAM SERVICES



^{*} Regional Operations includes Civil Rights, Education, Intergroup Relations and International Affairs programming delivered through ADL's Regional Office structure.

CONSOLIDATED STATEMENT OF ACTIVITIES

Year ended December 31, 2009 (in thousands)

CHANGES IN UNRESTRICTED NET ASSI OPERATING REVENUES:	ETS:
Contributions, net	\$38,583
Investment return appropriated	2,512
Other income	1,102
Net assets released from restrictions	11,599
Total operating revenues	53,796
OPERATING EXPENSES:	
Program services	45,922
Supporting services	17,078
5 app 5 g 5 5 5 5 5	,
Total operating expenses	63,000
Excess of operating expenses	
over operating revenues	(9,204)
NONOPERATING ACTIVITIES:	
Pension charges	(2,096)
Investment return less amount	
appropriated and other, net	13,734
Total nonoperating activities	11,638
Increase in unrestricted net assets	2,434
CHANGES IN TEMPORARILY	
CHANGES IN TEMPORARILY	
RESTRICTED NET ASSETS:	0.070
RESTRICTED NET ASSETS: Contributions	9,068
RESTRICTED NET ASSETS: Contributions Change in the value of charitable	
RESTRICTED NET ASSETS: Contributions Change in the value of charitable trust and annuity agreements	(665)
RESTRICTED NET ASSETS: Contributions Change in the value of charitable trust and annuity agreements Investment return	(665) 7,225
RESTRICTED NET ASSETS: Contributions Change in the value of charitable trust and annuity agreements Investment return Net assets released from restrictions	(665)
RESTRICTED NET ASSETS: Contributions Change in the value of charitable trust and annuity agreements Investment return Net assets released from restrictions Increase in temporarily	(665) 7,225 (11,599)
RESTRICTED NET ASSETS: Contributions Change in the value of charitable trust and annuity agreements Investment return Net assets released from restrictions	(665) 7,225
RESTRICTED NET ASSETS: Contributions Change in the value of charitable trust and annuity agreements Investment return Net assets released from restrictions Increase in temporarily restricted net assets CHANGES IN PERMANENTLY	(665) 7,225 (11,599)
RESTRICTED NET ASSETS: Contributions Change in the value of charitable trust and annuity agreements Investment return Net assets released from restrictions Increase in temporarily restricted net assets CHANGES IN PERMANENTLY RESTRICTED NET ASSETS:	(665) 7,225 (11,599) 4,029
RESTRICTED NET ASSETS: Contributions Change in the value of charitable trust and annuity agreements Investment return Net assets released from restrictions Increase in temporarily restricted net assets CHANGES IN PERMANENTLY RESTRICTED NET ASSETS: Contributions	(665) 7,225 (11,599)
RESTRICTED NET ASSETS: Contributions Change in the value of charitable trust and annuity agreements Investment return Net assets released from restrictions Increase in temporarily restricted net assets CHANGES IN PERMANENTLY RESTRICTED NET ASSETS: Contributions Increase in permanently	(665) 7,225 (11,599) 4,029
RESTRICTED NET ASSETS: Contributions Change in the value of charitable trust and annuity agreements Investment return Net assets released from restrictions Increase in temporarily restricted net assets CHANGES IN PERMANENTLY RESTRICTED NET ASSETS: Contributions	(665) 7,225 (11,599) 4,029
RESTRICTED NET ASSETS: Contributions Change in the value of charitable trust and annuity agreements Investment return Net assets released from restrictions Increase in temporarily restricted net assets CHANGES IN PERMANENTLY RESTRICTED NET ASSETS: Contributions Increase in permanently	(665) 7,225 (11,599) 4,029
RESTRICTED NET ASSETS: Contributions Change in the value of charitable trust and annuity agreements Investment return Net assets released from restrictions Increase in temporarily restricted net assets CHANGES IN PERMANENTLY RESTRICTED NET ASSETS: Contributions Increase in permanently restricted net assets	(665) 7,225 (11,599) 4,029 1,582
RESTRICTED NET ASSETS: Contributions Change in the value of charitable trust and annuity agreements Investment return Net assets released from restrictions Increase in temporarily restricted net assets CHANGES IN PERMANENTLY RESTRICTED NET ASSETS: Contributions Increase in permanently restricted net assets Increase in net assets Net assets at beginning of year	(665) 7,225 (11,599) 4,029 1,582 1,582 8,045 99,083
RESTRICTED NET ASSETS: Contributions Change in the value of charitable trust and annuity agreements Investment return Net assets released from restrictions Increase in temporarily restricted net assets CHANGES IN PERMANENTLY RESTRICTED NET ASSETS: Contributions Increase in permanently restricted net assets Increase in net assets	(665) 7,225 (11,599) 4,029 1,582 1,582 8,045

The above financial information is derived from the consolidated financial statements of the Anti-Defamation League and the Anti-Defamation League Foundation. A complete set of the consolidated financial statements, audited by KPMG LLP, is available upon request.

HERE'S HOW YOU CAN HELP

When you support ADL with your tax-deductible gift, you help fight hate and build a better world — now and for future generations. ADL's work is only possible with the support of people like you, who share our commitment to securing justice and fair treatment to all.

MAKE A GIFT

For over 97 years, ADL has been the leading voice for those choosing to fight anti-Semitism, bigotry and hate in all its forms. We've had incredible success over the years, but our mission remains as important today as ever.

PLANNED GIVING

Your Planned Gift to ADL brings a steady source of funds to help ADL fight hatred and bias. Learn more about charitable gift annuities, bequests in your will, charitable remainder trusts and other alternative gifts.

BECOME AN ADL GUARDIAN: GIVE MONTHLY

A monthly gift at any level is a great way to provide ongoing support for our many programs, from civil rights advocacy and hate crime prevention to child education programs and law enforcement training.

TRIBUTE E-CARDS

Contribute in honor of a birthday, anniversary, bar/bat mitzvah, wedding, holiday or in memory of a loved one. If you like, you can also send one of our unique Tribute eCards. To send a tribute card by mail, contact development@adl.org or call the number below.

Call 1-866-FUND-ADL (1-866-386-3235) or go to www.adl.org/actionsmatter. Thank you.

HERE'S WHAT YOUR GENEROSITY CAN DO

\$50

equips one teen with the skills to confront anti-Semitism

\$150

helps an entire school become No Place for Hate®

\$250

shows three students how to stand up to bullying and cyberbullying

\$500

allows 15 educators to teach the lessons of the Holocaust \$2,500

teaches 30 children to reject prejudice and stereotypes

\$5,000

brings one American law enforcement officer to Israel for counterterrorism training

\$25,000

trains 10 law enforcement officers on domestic extremism and terrorism

NO ONE IS THERE FOR YOU LIKE ADL

JOIN US

DEVELOPMENT

1-866-386-3235)

development@adl.org

PLANNED GIVING

1-888-235-9710 plannedgiving@adl.org

NATIONAL OFFICE

212-885-7700 contactus@adl.org

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ACTIONS MATTER.